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**Testimony of Molly Wasow Park, Senior Analyst,
Before the City Council Committee on Public Safety
And the Subcommittee on Public Housing
On Public Safety in Public Housing**

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Good morning, Chairman Vallone, Chairwoman Reyna, and members of the Committees. I am Molly Wasow Park, senior analyst at the Independent Budget Office. Thank you for inviting us to testify today on public safety in public housing.

In brief, as a result of rising costs and funding cuts at the federal level, the city is paying an increasingly large share of the cost of policing public housing. Overall service levels for basic public safety programs are remaining relatively constant. But because the city is paying more of the costs, the New York Police Department (NYPD) has greater discretion to change the structure of programs. In addition, in reaction to budget shortfalls, the New York City Housing Authority (NYCHA) has cut ancillary public safety services, such as youth recreation programs.

In 1995, the Housing Authority Police Department was merged into the New York City Police Department. Before the merger, NYCHA was spending about \$58 million a year on its police services. NYCHA and the NYPD entered into a Memorandum of Understanding requiring NYCHA to make this same annual payment to the NYPD, adjusted for inflation.

Some of the administrative benefits envisioned from the merger appear to have taken place. In 1995, NYCHA had roughly 2,700 uniformed police officers. Since the merger, NYPD Housing Bureau staffing has remained relatively constant at about 1,900 officers. Crime trends in public housing developments have mirrored citywide trends. Violent crimes, for example, have fallen 44 percent in NYCHA developments, and 48 percent citywide.

NYCHA has traditionally drawn on two primary revenue sources to pay the city for police services—the federal Public Housing Operating Fund, and the Public Housing Drug Elimination Program. However, in federal fiscal year 2002 Congress and the Bush Administration eliminated funding for the drug elimination program. The loss of this grant cost NYCHA \$35 million per year.

In 2003, the city spent \$117.6 million to provide police services in NYCHA developments, and received \$88.1 million from NYCHA—a \$29.4 million gap. Police

personnel costs have risen steadily over the last five years. The basic NYCHA payment also has risen, but not as quickly. In addition, NYCHA no longer has rug elimination program funds to transfer to the city to cover police costs. As a result, the expected gap between the cost of providing police services and the payment received from NYCHA is \$49.4 million in 2004.

New York City's increased spending on policing NYCHA developments has been partially offset by the elimination of the city's operating subsidy for NYCHA. In effect, the general-purpose subsidy from the city to NYCHA has been replaced—and actually exceeded—by the city expenditures for policing the NYCHA developments.

Until 2002, a key source of NYCHA's funding for public safety purposes was the \$35 million it received annually in federal drug elimination program grant funds. Of this total, just under \$20 million was used to reimburse the NYPD. The NYPD used the funds to support two primary programs—an anti-graffiti initiative, and Operation Safe Home, which assigned teams of officers to patrol the interiors of developments. The remaining drug elimination program funds were used to support NYCHA tenant programs, ranging from summer youth employment, to anti-narcotics special investigation, to gymnastics and scouting.

The NYPD will continue to provide the services formerly funded through the drug elimination program, but because the department is no longer bound by the restrictions of the grant, it can change the way the programs are implemented. For example, under Operation Safe Home, officers were assigned to specific developments. Now officers will be deployed at the department's discretion. The NYPD hopes that this flexibility will allow it to be more responsive to localized spikes in crime, although others have suggested that having officers who are well-acquainted with particular developments improves their effectiveness and reduces tension between police and residents.

In calendar year 2004, NYCHA is using its general funds to support some of the programs that were paid for with drug elimination program money, but others, such as sports programs, and some initiatives to combat vandalism, are being substantially cut or eliminated. Furthermore, the loss of the drug elimination program funds is part of a larger reduction in NYCHA operating funds. As a result, NYCHA is facing a \$303 million gap in its \$2.4 billion budget for this calendar year. As the housing authority makes cuts to address its larger budget gap, it could further affect the remaining programs.

In sum, as a result of rising costs and cuts at the federal level, the city is paying an increasingly large share of the cost of policing public housing. Overall service levels for basic public safety programs are remaining relatively constant. But because the city is paying more of the costs, the NYPD has greater discretion to change the structure of programs. In addition, in reaction to budget shortfalls, NYCHA has cut services designed to support public safety, such as recreation programs for young people.

I would be happy to answer any questions.